

CMS ISSUES REPORTING REQUIREMENTS, ADVANCED ALTERNATIVE PAYMENT MODEL INSTRUCTIONS FOR COMPREHENSIVE CARE FOR JOINT REPLACEMENT MODEL

On September 30, 2017, the Centers for Medicare & Medicaid Services notified hospitals participating in the Comprehensive Care for Joint Replacement ("CJR") model of certain reporting requirements related to financial sharing arrangements with CJR collaborators (i.e., physicians and other providers who work with CJR hospitals to improve quality and cost performance). The notice, which was sent via email to CJR hospital contacts, also included instructions for CJR hospitals wishing to assist their CJR collaborators in securing eligibility as qualified providers under Medicare's physician Quality Payment Program.

CJR REPORTING REQUIREMENTS

Current CJR regulations^[1] mandate that participant hospitals provide CMS with sufficient information to permit CMS to audit and confirm compliance with CJR requirements, including those related to quality of care and calculation and payment of any gainsharing payments to collaborators. Accordingly, the notice instructs CJR hospitals to provide CMS with a list of all current and previous CJR collaborators, along with each collaborator's address, National Provider Identification number and the start and end date of the collaborator agreement. For physician group practice collaborators that distribute CJR gainsharing payments to individual members of the practice (referred to in the notice as "practice collaboration agents"), the hospital must provide similar information for each individual, along with the individual's tax identification number or Social Security number. The notice requires that CJR hospitals submit this information to CMS using prescribed template forms no later than October 20, 2017.

QUALITY PAYMENT PROGRAM ELECTION

The notice also included long-awaited instructions for hospitals interested in assisting their physician collaborators to take advantage of certain favorable aspects of Medicare's physician Quality Payment Program. In an effort to align the CJR program with other pay-for-performance programs, CMS had previously updated the original CJR regulations to recognize the CJR program as an Advanced Alternative Payment Model ("AAPM") under the Quality Payment Program. Very briefly, clinicians who participate in AAPMs at required levels may attain qualified provider ("QP") status, therefore becoming eligible to receive an incentive payment equal to 5 percent of the clinician's prior year's payments for Part B professional services under all of the tax identification numbers to which the clinician had assigned his/her billing rights during that year. Clinicians who qualify as QPs are also exempt from the Merit-Based Incentive Program ("MIPS") individual reporting requirements and payment adjustment.

The notice instructs hospitals interested in qualifying their CJR programs as AAPMs to submit documentation electing CJR Track 1, which requires the hospital to attest to the use of Certified Electronic Health Record Technology. CMS will then use the collaborator information described above to determine whether each collaborator meets the threshold requirement for QP status.

Although many aspects of the Quality Payment Program do not seem well understood by the physicians who stand to gain or lose under it, the MIPS negative payment adjustment could be as high as 9 percent by 2022. Therefore, CJR hospitals and collaborators have significant financial incentives to promptly consider whether to elect CJR Track 1 and thus qualify for AAPM eligibility. The Track 1 annual election for 2017, like the CJR collaborator information described above, must be submitted to CMS by October 20, 2017.

For further information on this topic, please contact:

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For more detailed information on CJR and the Quality Payment Program, please visit our [website](#).

[1] 42 C.F.R. §510.500(e).